In the Claims:

1. (Original) A method for internet distribution of video comprising:

displaying to a consumer a listing of video titles;

receiving a signal indicative of a video title selected by the user;

exchanging a fee;

watermarking the video on-the-fly; and

transmitting the video to the consumer.

2. (Original) The method of claim 1 in which the watermarking includes watermarking the video with at least one data from the list comprising: an identifier of the date, an identifier of an internet site from which the selected video is provided, an identifier of the consumer, and an identifier of an internet address to which the selected video is transmitted.

3. (Original) The method of claim 2 which includes watermarking the video with at least two data from said list.

4. (Original) The method of claim 2 which includes watermarking the video with at least three data from said list.

5. (Original) The method of claim 2 which includes watermarking the video with all four data from said list.

6. (Original) The method of claim 2 in which the watermarking includes watermarking with an identifier of the date.

7. (Original) The method of claim 2 in which the watermarking includes watermarking with an identifier of an internet site from which the selected video is provided.

8. (Original) The method of claim 2 in which the watermarking includes watermarking with an identifier of the consumer.

9. (Original) The method of claim 2 in which the watermarking includes watermarking with an identifier of an internet address to which the selected video is transmitted.